

**FRANCISCO V. AGUILAR**  
*Secretary of State*

STATE OF NEVADA



**GABRIEL DI CHIARA**  
*Chief Deputy Secretary of State*

**ERIN M. HOUSTON**  
*Deputy Secretary for Securities,  
Securities Administrator*

**OFFICE OF THE  
SECRETARY OF STATE**

March 28, 2022

**NOTICE OF INTENT TO ACT UPON A REGULATION**

**NOTICE OF HEARING FOR THE ADOPTION OF REGULATIONS OF  
THE NEVADA SECRETARY OF STATE**

**LCB FILE NO. R018-21RP2**

The Secretary of State will hold a public hearing at 10:00 a.m. on May 3, 2023 in room 112 of the City of North Las Vegas City Hall located at 2250 Las Vegas Blvd. North, North Las Vegas, Nevada 89030. The purpose of the hearing is to receive comments from all interested persons regarding the adoption of regulations pertaining to Chapter 90 of the Nevada Administrative Code – Securities.

Members of the public are invited to participate in the hearing. The hearing will take place as follows:

Date: Wednesday, May 3, 2023  
Time: 10:00 a.m. Pacific Time  
Location: City of North Las Vegas City Hall  
2250 Las Vegas Blvd. North  
North Las Vegas, Nevada 89030  
Room 112

The following information is provided pursuant to the requirements of NRS 233B.0603:

**Information Regarding Adoption**

**Purpose and need of the proposed regulations**

NRS 90.750(1)-(2) provides the Administrator of the Office of the Secretary of State with the authority to adopt regulations further defining such words and terms as are necessary for an understanding of the provisions of Chapter 90 as well as to keep regulations adopted by the Administrator in harmony with regulations adopted by the Securities and Exchange Commission under federal securities laws and to encourage uniformity with the regulations of securities agencies

**LAS VEGAS OFFICE**  
2250 Las Vegas Boulevard North, Suite 400  
North Las Vegas, NV 89030  
Telephone: (702) 486-2440  
Fax: (702) 486-2452

and administrators in other states.

Further, NRS 90.750(2) provides that the Securities Administrator shall take into consideration the regulations adopted by the Securities and Exchange Commission, the regulations of securities agencies and administrators in other states that enact a law comparable to this chapter, and any model rule, regulation, exemption or like provision adopted by the North American Securities Administrators Association (NASAA).

NRS 90.750(3) provides that a regulation or order may not be adopted or entered unless the Administrator determines from evidence obtained at a public hearing and entered in the record that the action is in the public interest and appropriate for the protection of investors and consistent with the purposes fairly intended by the provisions of this chapter. Furthermore, NRS 90.750(4) allows for the Administrator to use his or her own experience, technical competence, specialized knowledge, and judgment in the adoption of a regulation.

The purpose of the proposed regulations is to update and modernize the language of Chapter 90 of the Nevada Administrative Code and to adopt various NASAA model rules.

#### Estimated Economic Effect

- (a) Adverse effect: The proposed regulation poses no adverse economic effect to the public, and poses a minimal economic impact to the businesses which the proposed regulation regulates. The effect is minimal because the proposed regulation does not change fee structures for registration and licensing, which provisions are contained in Nevada Revised Statutes Chapter 90.
- (b) Beneficial effect: There is no beneficial economic effect under the proposed regulation to either the public or business which are to continue to be regulated by the proposed revised regulation as the proposed regulation does not add or revise fee structures for licensees or registrations.
- (c) Immediate effect: There is no immediate economic effect of the proposed regulation as fee structures affecting businesses regulated by the proposed regulation are not changed by way of regulation and are contained in NRS Chapter 90.
- (d) Long-term effect: There is no long-term economic effect of the proposed regulation affecting the public or businesses that continue to be regulated by the proposed revised regulation as the fee structures for licensees and/or registrations of securities are contained in NRS Chapter 90.

Method used by the agency in determining the impact on a small business pursuant to NRS 233B.0608.

The Division solicited feedback from possibly affected small businesses by individually sending an electronic copy of the proposed revised regulations to all interested parties, including all licensed Nevada-based Investment Advisers with up-to-date email addresses with the Division. The Division also posted or caused to be posted the proposed regulations at the Nevada Secretary of State's Office, Main Lobby; the Nevada Secretary of State's Office, Commercial Recordings Main Lobby, State of Nevada Website, Nevada Secretary of State's Website, Investor Information Page; Nevada Secretary of State Website; and the website of the Nevada State Legislative Counsel Bureau. The agenda for the workshop also called for public comment on the Small Business Impact Statement. No comments were received specific to the Small Business Impact Statement either in written form or in person at the hearing.

Estimated cost to the agency for enforcement of the proposed regulation

The agency anticipates that there will be no additional costs incurred for the enforcement of the proposed regulation. The Division currently employs staff to continue enforcement of both NRS and NAC 90 and the proposed regulation does not add provisions that go beyond the current scope of enforcement or registration and licensing.

Duplication with other agencies

LCB File No. R018-21RP2 has no provisions which duplicate any other agency's jurisdiction or federal regulation. The regulation does not include provisions which are more stringent than a federal regulation that regulates the same activity.

NRS 233B.064 Statement

Upon adoption of any regulation, the agency, if requested to do so by an interested person, either prior to adoption or within 30 days thereafter, shall issue a concise statement of the principal reasons for and against its adoption, and incorporate therein its reason for overruling the consideration urged against its adoption.

Fee Established

LCB File No. R018.21RP2 does not establish new fees, although it does create the ability to notice file with the Division Regulation A, Tier 2 federally exempt securities for sale in the State of Nevada.

### **Comments and Written Submissions**

Persons wishing to comment on the proposed action of the Secretary of State may appear at the scheduled public hearing on the adoption of the regulation, or may address their comments, data, views, or arguments, in written form to:

Nevada Secretary of State  
Attn: Erin Houston, Deputy Secretary of State for Securities/Securities Administrator  
2250 Las Vegas Blvd. North, Suite 400  
North Las Vegas, NV 89030  
ehouston@sos.nv.gov

Written submissions must be received by the Nevada Secretary of State on or before May 2, 2023. If no person who is directly affected by the proposed action appears to request time to make an oral presentation, the Nevada Secretary of State may proceed immediately to act upon any written submissions.

### **Copy of the Proposed Regulations**

A copy of this notice and the regulation to be adopted will be on file at the State Library, Archives and Public Records, 100 Stewart Street, Carson City, Nevada, for inspection by members of the public during business hours. Additional copies of the notice and the regulation to be adopted will be available on the Secretary of State website at [www.nvsos.gov](http://www.nvsos.gov) and at the offices of the Secretary of State. A print or electronic copy of the Notice and Proposed Regulation is available upon request by contacting Erin Houston, Deputy Secretary of State for Securities at (702) 486-2440 or [ehouston@sos.nv.gov](mailto:ehouston@sos.nv.gov).

NOTICES FOR THIS MEETING HAVE BEEN ELECTRONICALLY POSTED IN ACCORDANCE WITH NRS 241 AS AMENDED BY ASSEMBLY BILL 253 (2021 LEGISLATIVE SESSION)

Secretary of State website: <http://nvsos.gov>  
Nevada Secretary of State Securities Division website:  
<http://www.nvsos.gov/sos/investor-information>  
State of Nevada Public Notice website: <http://notice.nv.gov>  
Legislative Counsel Bureau website: <https://leg.state.nv.us>

**LAS VEGAS OFFICE**  
2250 Las Vegas Boulevard North, Suite 400  
North Las Vegas, NV 89030  
Telephone: (702) 486-2440  
Fax: (702) 486-2452

**AGENDA**

**HEARING FOR THE ADOPTION, AMENDMENT OR REPEAL OF REGULATIONS OF  
SECURITIES NAC CHAPTER 90.**

**LCB FILE NO. R018-21RP2**

Date: Wednesday, May 3, 2023  
Time: 10:00 a.m. Pacific Standard Time  
Location: City of North Las Vegas City Hall  
2250 Las Vegas Blvd. North  
North Las Vegas, Nevada 89030  
Room 112

1. Call to Order by Deputy Secretary of State for Securities Erin Houston
2. Public Comment on LCB File No. R018-21RP2. *Comments may be limited to three minutes per person.*
3. Comments on LCB File No. R018-21RP2
4. **For Possible Action: Adoption of Revised LCB File No. R018-21RP2 dated November 10, 2022.**
5. Public Comment on matters other than LCB File No. R018-21RP2. *Comments may be limited to three minutes per person.*
6. Adjourn

Public comment may be limited to three minutes per speaker on each section of the regulation. Members of the public are encouraged to submit written comments for the record.

Materials for this Adoption Hearing are attached with this Agenda. Materials may also be requested from Erin Houston, Deputy Secretary of State for Securities, by calling (702) 486-2440 or by emailing [ehouston@sos.nv.gov](mailto:ehouston@sos.nv.gov).

March 28, 2023

Page 6

**NOTICES FOR THIS MEETING HAVE BEEN ELECTRONICALLY POSTED IN ACCORDANCE WITH NRS 241 AS AMENDED BY ASSEMBLY BILL 253 (2021 LEGISLATIVE SESSION)**

Secretary of State website: <http://nvsos.gov>

Nevada Secretary of State Securities Division website:

<http://www.nvsos.gov/sos/investor-information>

State of Nevada Public Notice website: <http://notice.nv.gov>

Legislative Counsel Bureau website: <https://leg.state.nv.us>

NOTE: The Nevada Secretary of State's Office, Securities Division may take the above matters out of order, may consolidate the above matters for consideration, and reserves the right to remove or delay any of the above matters on the Agenda. Commenters may be limited to three minutes. Members of the public are encouraged to submit written comments for the record at [ehouston@sos.nv.gov](mailto:ehouston@sos.nv.gov).

The Nevada Secretary of State Office, Securities Division is pleased to make reasonable accommodations for those individuals with disabilities who wish to participate in the meeting. If special arrangements for the meeting are necessary, please notify Erin Houston at (702) 486-2440 or [ehouston@nv.sos.gov](mailto:ehouston@nv.sos.gov) no later than five working days before the meeting.

Respectfully,

/s/Erin M. Houston

Erin M. Houston

Deputy Secretary of State for Securities

**LAS VEGAS OFFICE**  
2250 Las Vegas Boulevard North, Suite 400  
North Las Vegas, NV 89030  
Telephone: (702) 486-2440  
Fax: (702) 486-2452